State of Louisiana DIVISION OF ADMINISTRATION

OFFICE OF STATE UNIFORM PAYROLL

M. J. "MIKE" FOSTER, JR. GOVERNOR

August 8, 2002

MARK C. DRENNEN COMMISSIONER OF ADMINISTRATION

OFFICE OF STATE UNIFORM PAYROLL MEMORANDUM #2003-12

TO: All ISIS HR Paid Agencies

FROM: Jena W. Cary

Director

SUBJECT: Military Leave Update

OSUP Memo #2002-51, (http://www.doa.state.la.us/osup/memos/fy2002/02-51.pdf) dated 03/01/02, addressed issues regarding military leave. Since that memo was forwarded to agencies, Civil Service Rule 11.26 on Military Leave was approved and amended, effective 05/15/02.

The revised rule allows for a payment of "differential pay" to the employee equal to the difference between the employee's military base pay and his state base pay. Employees can choose this option retroactive to 09/11/01. This differential pay can be paid once the military leave with pay has been exhausted, and if the employee is on LWOP by choice or because all annual and/or compensatory leave has been exhausted. Refer to the Civil Service website (http://www.dscs.state.la.us/.) for a copy of the revised rule. Refer to SIS Memo SIS 02-055, (http://www.state.la.us/OSIS/publicat/osismemo/02-055.pdf) dated 06/07/02, for information regarding the new wage type that is now available for processing Military Differential Pay (wage type 0152) in ISIS HR. http://www.state.la.us/.

The following reiterates the policy that was included in OSUP Memo #2002-51 regarding payment of retirement contributions for employees who have chosen to be on LWOP during their military tour of active duty. If the employee is on paid leave, all retirement contributions should be processed as usual, and will be remitted as usual. However, an employee who is on LWOP can choose (the employee must make a choice) to pay the required employee portion of retirement contributions. OSUP's policy requires that the employee contributions should be made directly to the agency, and agency personnel must remit both the employee and employer contributions to the retirement system. These contributions will not be reported in ISIS HR. The retirement systems will report these contributions as non-sheltered. For employees who have chosen the "differential pay" option, retirement contributions will be deducted from the differential pay and will be transmitted to the retirement systems through ISIS HR. Employees and agencies are responsible for collecting and forwarding to the retirement systems the balance of contributions due if applicable.

Questions should be directed to a member of the OSUP Wage and Tax Administration Unit at (225):

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JWC:APH:kmb